




County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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DAVID E. JANSSEN
Chief Administrative Officer

June 21, 2001

To: Supervisor Michael D. Antonovich, Mayor
Supervisor Gloria Molina
Supervisor Yvonne Brathwaite Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
From: 
David E. Janssen
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District
YVONNE BRATHWAITE BURKE
Second District
ZEV YAROSLAVSKY
Third District
DON KNABE
Fourth District
MICHAEL D. ANTONOVICH
Fifth District

STATE LEGISLATIVE UPDATE

State Budget Conference Committee Report No. 8

The Conference Committee met twice yesterday in morning and evening sessions. Action commenced with health and human services issues, and the Conferees considered a variety of proposals ranging from increased funding for mental health to reform of California's foster care system.

Pursuant to the commitment by Assembly Member Cedillo, the Conference Committee unanimously withdrew the Budget Bill Language which would have withheld \$50 million from the County's Social Services Realignment Account unless the County paid IHSS workers a higher wage rate.

Significant actions taken in the CalWORKs arena include: (1) a \$20 million reduction in the CalWORKs reserve to augment Performance Incentives; (2) a \$46.6 million reduction in the Employment Training Fund to augment CalWORKs services; and (3) the adoption of trailer bill language to continue parental eligibility for CalWORKs services when children are temporarily removed from the home when family reunification is likely. This language is similar to County-supported **SB 249 (Chesbro)**.

The Conferees also adopted the Governor's May Revision proposal to reduce CalWORKs by a net of \$30.988 million in total funds and to hold Employment Services and County Administration funding at the current-year level. Additionally, trailer bill language was adopted to require the State to develop and implement a process for counties to access funds from the general TANF reserve.

Foster care funding , which is one of the top priorities of the Assembly Democrats, was significantly scaled back. However, County-supported **AB 1119 (Hertzberg)**, which provides foster youth with financial assistance after age 18 and an internet-based system to access foster children's health and educational history, was funded at \$8 million. Even though all of the County-supported Assembly legislation on foster care was not funded in the Budget, these bills will still move through the legislative process.

Other successful items include \$10 million for the expansion of Adult Systems of Care for Mentally Ill Homeless Adults and rejection of the \$8.5 million reduction in Drug Court Treatment Funds.

Among the issues which did not receive funding were: (1) implementation of Express Lane Eligibility for the Medi-Cal and Healthy Families Programs (County-supported **AB 59 Cedillo**); (2) expansion of the successful VIDA Project in Los Angeles to a statewide program (this program helps uninsured people with application assistance to qualify for free or low-cost health insurance plans); (3) expansion of the Family PACT program to include services for women under age 65 (County-supported **AB 130 Cardenas**); and (4) a reduction in the share of cost paid by Medically Needy Recipients enrolled in the Medi-Cal program. Again, Assembly Bills not funded in the budget will continue to proceed through the legislative process.

Senator Peace announced that funding for County-supported **AB 1421 (Thomson)**, for Assertive Community Treatment Services should be contained in the bill, because the Senate will not support its funding in the Budget.

Assembly Member Cardenas and Senator Peace have indicated that they hope the Conference Committee can complete its work by Friday, June 22, 2001, in order to have the Budget and its accompanying trailer bills in place for consideration by the respective houses early next week.

Pursuit of County Positions on Legislation

ACA 10 (Cogdill), would phase out county, city and special district contributions to Educational Revenue Augmentation Funds (ERAFs) commencing in Fiscal Year (FY) 2002-03. For FY 2002-03, local agencies would contribute only 80 percent of the amount contributed in FY 2000-01, and by FY 2010-11, local agencies' contributions to ERAFs would be completely eliminated. This measure is consistent with your Board's policy to support legislative efforts to cap ERAF growth pending an actual return of the property tax. **Therefore, our Sacramento advocates will be supporting ACA 10.** The measure is

currently in the Assembly Committee on Elections, Reapportionment and Constitutional Amendments with no hearing date set.

AB 147 (Longville), as amended on March 28, 2001, grants sole and exclusive authority to the designated County Control Agent (Sheriff) to ensure that the County's equipment which connects to the State-wide telecommunications network, known as the California Law Enforcement Telecommunications System (CLETS), complies with all security requirements that are or may be established by the State Attorney General. This authority includes locating, managing, maintaining, and providing security for all of the County's or other agency's equipment that connects to and exchanges data, video or voice information with CLETS.

Current law creates CLETS to provide an efficient law enforcement communications network for local law enforcement agencies. This system is under the direction of the State Attorney General and is maintained by the State Department of Justice. Under the policies, practices and procedures adopted by the Attorney General, the Sheriff has been designated as the Local Control Agent and is responsible for local security of the system.

The Chief Information Officer (CIO) and the Internal Services Department (ISD) are concerned that AB 147 would transfer the Board's authority for securing and maintaining a portion of the telecommunications services, equipment, and circuits to the Sheriff. This transfer also undermines the effectiveness of the Enterprise Network which your Board approved on May 3, 2000. The Enterprise Network was created to unify and make all County Departmental information technology equipment and activities compatible and avoid duplication. Finally, AB 147 reduces local control by transferring the Board's authority to establish budgeted spending levels for telecommunication equipment associated with CLETS, to the Sheriff.

The CIO indicated that AB 147 will require or allow a duplication of telecommunications equipment within County buildings and drive up costs. Also, it is uncertain how CLETS and the associated security requirements will interface with the Federal requirements imposed by the Health Insurance Portability and Accountability Act. Therefore, the CIO and ISD recommend that your Board oppose AB 147.

The Sheriff's Office notes that CLETS, under the State Attorney General, provides a means for law enforcement agencies to access very sensitive information without substantial risk of a security breach. The CLETS data base contains confidential information, such as personal information on law enforcement personnel and the witness relocation program. They also contend that unauthorized access to this data base would create a significant risk to the health and safety of the community. The Sheriff's Office

Each Supervisor
June 21, 2001
Page 4

indicates that it needs the authority to control the entire system to effectively manage the system's security. The Sheriff is one of the co-sponsors of AB 147.

On April 24, 2001, the Sheriff, CIO, ISD, and the Chief Administrative Office met to discuss these issues. During that meeting, the Sheriff committed to abide by an M.O.U. that was signed by the Sheriff, CIO and ISD, which governs the coordination of purchases and use of information technology systems hardware and software among the three Departments. AB 147 would undermine the M.O.U. and weaken the centralized control of the Enterprise Network. The CIO and ISD request that your Board oppose AB 147, and this position is consistent with prior policy to preserve the Board's authority. **Therefore, we will be opposing AB 147 in Sacramento.** AB 147 is on the Senate third reading file.

Status of County Legislation

County-supported AB 989 (Chan), which repeals the sunset dates for the Cash Assistance Program for Immigrants (CAPI) and the California Food Assistance Programs (CFAP), passed the Senate Health and Human Services Committee on June 20, 2001, and now proceeds to the Senate Appropriations Committee.

County-supported AB 1657 (Hertzberg), which would require the State Auditor to evaluate the financial capacity of the County's Department of Health Services to provide health care services to the residents of Los Angeles County, passed the Senate Health and Human Services Committee on June 20, 2001, and now proceeds to the Senate Appropriations Committee.

We will continue to keep you advised.

DEJ:GK
IGR:md

c: Executive Officer, Board of Supervisors
 County Counsel
 All Department Heads
 Legislative Strategist
 Coalition of County Unions
 California Contract Cities Association
 Independent Cities Association
 League of California Cities
 City Managers Associations
 Buddy Program Participants